

Fiscal Note



Fiscal Services Division

<u>HF 463</u> – Motor Vehicle Enforcement and Commercial Learner's Permits (LSB2126HV) Analyst: Michael Guanci (Phone: (515)725-1286) (<u>michael.guanci@legis.iowa.gov</u>) Fiscal Note Version – New

Description

<u>House File 463</u> regulates the validity period of a commercial learner permit (CLP) to match federal code. The Bill also allows certain commercial motor vehicles with auxiliary power or idle-reduction technology to exceed the maximum gross weight limits under lowa Code chapter <u>321</u> by 550 pounds or the weight of the applicable technology, whichever is less.

House File 463 further regulates the enforcement powers and duties of Department of Transportation (DOT) Motor Vehicle Enforcement (MVE) officers under Iowa Code section 321.477. The authority of MVE officers is limited to the following enforcement activities:

- Motor carrier safety regulations, including operating authority and the regulation of hazardous materials transport.
- The lawful operation and enforcement of all traffic and safety laws for commercial motor vehicles and operators as defined in Iowa Code section 321.1.
- Investigation and enforcement of the responsibilities, rules, and regulations of the DOT.
- The enforcement of motor vehicle laws relating to operating authority, registration, size, weight, and load of motor vehicles and trailers.
- Speed violations of 20 miles per hour or more over the designated speed limit for all motor vehicles.
- The enforcement of all laws defined as serious violations under <u>761 IAC 615.17(2)</u>.

House File 463 takes effect on enactment.

Background

A CLP is an instructional permit that allows a driver to operate a commercial motor vehicle when accompanied by a person who holds a valid commercial driver's license (CDL). Under lowa Code section 321.180, the CLP is only valid for 180 days. Federal exemptions allow for states to extend the validity period for CLPs to one year. House File 463 will allow lowa to match the validity period established by the federal government in 49 C.F.R. 383.25(c) and 49 C.F.R. 383.73(a)(2)(iii). In lowa, there were 950 CLP renewals in FY 2016 at a cost of \$12 per license renewal.

The costs for MVE officers and enforcement activities are funded by appropriations to the Motor Vehicle Division. **Table 1** shows a five-year history of commercial motor vehicle (CMV) and noncommercial motor vehicle enforcement by the DOT.

TABLE 1

DOT CMV and Non-CMV Enforcement History								
	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016			
CMV Citations	26,545	24,484	22,632	23,739	20,373			
Non-CMV Citations	9,448	10,126	9,694	10,562	12,375			

Out of the total number of non-CMV citations issued in FY 2016, an estimated 10,300 would have been ineligible under House File 463.

The DOT receives federal grant funding under the Motor Carrier Safety Assistance Program (MCSAP). In FY 2017, the amount awarded to the DOT is an estimated \$4.2 million. The DOT will subapportion an estimated \$1.4 million of this grant award to the Department of Public Safety (DPS). Under this Program, the DOT uses the federal funds to reimburse the Road Use Tax Fund (RUTF) for commercial enforcement salaries and activities that are initially appropriated in the Transportation Appropriation Bill. The DPS primarily uses the federal grant money to fund the salaries of the 10 officers dedicated to commercial traffic enforcement.

Under the requirements of the MCSAP, the State must designate a lead agency that has legal authority under 49 C.F.R. 350.201(d).

Assumptions

- House File 463 may reduce the number of CLP renewals.
- The DOT will issue fewer citations for noncommercial vehicle enforcement under House File 463.
- Under the provisions of this Bill and the other provisions in 49 C.F.R. 350.109, the State's
 future eligibility for the MCSAP has not been determined by the Federal Highway
 Administration. Any loss of federal funding may impact the RUTF and the General Fund.
- For fiscal estimate purposes it is assumed the Bill is effective June 1, 2017.

Fiscal Impact

- The fiscal impact from the revenue reduction of CLP renewals is expected to be minimal.
- The fiscal impact to the RUTF from changing weight restrictions for certain commercial vehicles that employ auxiliary power units or idle-reduction technologies is expected to be minimal.
- There may be a General Fund reduction of up to \$100,000 in FY 2017 and \$1.3 million in FY 2018 from reduced noncommercial traffic enforcement activities by MVE officers.
 Table 2 shows all funds impacted by the reduction of noncommercial traffic enforcement by the DOT.

TABLE 2

Potential Fiscal Impact Under HF 463							
	General Fund	Victim Comp. Fund	Local Authorities				
FY 2017 FY 2018	\$ 105,900 1,271,000	\$ 2,800 34,000	\$ 900 11,000				

The impact to future federal MCSAP funding is unknown.

Sources

Department of Transportation Criminal and Juvenile Justice Planning Division Department of Public Safety Federal Motor Carrier Safety Administration

 /s/ Holly M. Lyons	
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The fiscal note for this Bill was prepared pursuant to Joint Rule 17 and the Iowa Code. Data used in developing this fiscal note is available from the Fiscal Services Division of the Legislative Services Agency upon request.